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Attorneys for Plaintiffs

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

CRYSTAL LAGOONS U.S. CORP. AND
CRYSTAL LAGOONS TECHNOLOGIES
INC.,

Plaintiffs,

vs.

CLOWARD H2O LLC,

Defendant

**PLAINTIFFS' ANSWER TO
DEFENDANT CLOWARD H2O LLC'S
COUNTERCLAIMS**

Case No. 2:19-cv-00796-BSJ

District Judge Bruce S. Jenkins

JURY DEMANDED

Plaintiffs and Counter-defendants Crystal Lagoons U.S. Corp. and Crystal Lagoons Technologies Inc. (“Crystal Lagoons”) hereby file their Answer to the Counterclaims filed by Defendant and Counterclaimant Cloward H2O LLC (“Cloward”). All allegations of the Counterclaims are hereby denied unless specifically admitted, qualified, or otherwise answered. Crystal Lagoons answers as follows:

1. Crystal Lagoons admits that Cloward’s counterclaims purport to arise under the Declaratory Judgment Act, 28 U.S.C. §§ 2201-2202. Crystal Lagoons denies the remaining allegations of this paragraph.

2. Crystal Lagoons lacks information sufficient to form a belief as to the truth of the allegations included in this paragraph and therefore denies the same.

3. Admitted.

4. Admitted.

5. Admitted.

6. Admitted as to specific jurisdiction regarding the subject matter of the Counterclaims. Crystal Lagoons denies the remaining allegations of this paragraph.

7. Admitted.

8. Admitted.

9. Crystal Lagoons admits that Cloward denies infringement of the Asserted Patents but denies that Cloward does not infringe. Crystal Lagoons denies the remaining allegations of this paragraph.

FIRST COUNTERCLAIM

DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '514 PATENT

10. Crystal Lagoons repeats and re-alleges its answers as set forth in foregoing Paragraphs 1-9 above as if set forth in full herein.
11. Denied.
12. Denied.
13. Admitted.
14. Denied.
15. Crystal Lagoons admits that Cloward “seeks any further relief deemed appropriate by this Court pursuant to 28 U.S.C. § 2202” but denies that Cloward is entitled to any such relief.

SECOND COUNTERCLAIM

DECLARATORY JUDGMENT OF INVALIDITY OF THE '514 PATENT

16. Crystal Lagoons repeats and re-alleges its answers as set forth in the foregoing Paragraphs 1-15 as if set forth in full herein.
17. Denied.
18. Admitted.
19. Denied.
20. Crystal Lagoons admits that Cloward “seeks any further relief deemed appropriate by this Court pursuant to 28 U.S.C. § 2202” but denies that Cloward is entitled to any such relief.

THIRD COUNTERCLAIM

DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '520 PATENT

21. Crystal Lagoons repeats and re-alleges its answers as set forth in the foregoing Paragraphs 1-20 as if set forth in full herein.

22. Denied.

23. Denied.

24. Admitted.

25. Denied.

26. Crystal Lagoons admits that Cloward “seeks any further relief deemed appropriate by this Court pursuant to 28 U.S.C. § 2202” but denies that Cloward is entitled to any such relief.

FOURTH COUNTERCLAIM

DECLARATORY JUDGMENT OF INVALIDITY OF THE '520 PATENT

27. Crystal Lagoons repeats and re-alleges its answers as set forth in the foregoing Paragraphs 1-26 as if set forth in full herein.

28. Denied.

29. Admitted.

30. Denied.

31. Crystal Lagoons admits that Cloward “seeks any further relief deemed appropriate by this Court pursuant to 28 U.S.C. § 2202” but denies that Cloward is entitled to any such relief.

FIFTH COUNTERCLAIM

DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '822 PATENT

32. Crystal Lagoons repeats and re-alleges its answers as set forth in the foregoing Paragraphs 1-31 as if set forth in full herein.

33. Denied.

34. Denied.

35. Admitted

36. Denied.

37. Crystal Lagoons admits that Cloward “seeks any further relief deemed appropriate by this Court pursuant to 28 U.S.C. § 2202” but denies that Cloward is entitled to any such relief.

SIXTH¹ COUNTERCLAIM

DECLARATORY JUDGMENT OF INVALIDITY OF THE '822 PATENT

38. Crystal Lagoons repeats and re-alleges its answers as set forth in the foregoing Paragraphs 1-37 as if set forth in full herein.

39. Denied.

40. Admitted.

41. Denied.

42. Crystal Lagoons admits that Cloward “seeks any further relief deemed appropriate by this Court pursuant to 28 U.S.C. § 2202” but denies that Cloward is entitled to any such relief.

¹ Cloward referred to its Counterclaim for invalidity of the '822 patent as its “Second Counterclaim.” (Dkt. No. 99 p. 23.) As it is sequentially the sixth Counterclaim, Crystal Lagoons believes this was the result of clerical error.

PRAYER FOR RELIEF

Crystal Lagoons denies that Cloward is entitled to any judgment or relief, and denies all allegations contained in Cloward's prayer for relief. Crystal Lagoons further seeks an award of costs and attorneys' fees and other expenses incurred in defending against the counterclaims and affirmative defenses asserted in Cloward's Answer and Counterclaims.

JURY DEMAND

Crystal Lagoons acknowledges Cloward's demand for a jury trial and similarly requests a trial by jury on all claims and issues so triable.

AFFIRMATIVE DEFENSES

Crystal Lagoons, for its affirmative defenses, states as follows:

FIRST AFFIRMATIVE DEFENSE – FAILURE TO STATE A CLAIM

Cloward has failed to state a claim upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE – NO DECLARATORY JUDGMENT

Cloward is not entitled to any declaratory judgment.

RESERVATION OF RIGHTS

Crystal Lagoons hereby reserves its right to supplement with additional defenses as discovery proceeds in this matter.

Date: March 9, 2021

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